



# IDAHO DEPARTMENT OF HEALTH & WELFARE

DIRK KEMPTHORNE – Governor  
KARL B. KURTZ – Director

OFFICE OF THE DIRECTOR  
450 West State Street, 10<sup>th</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0036  
PHONE 208-334-5625  
FAX 208-334-5926

## **NEWS RELEASE**

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Ross Mason  
(208) 334-0693

### **GEM COUNTY BENEFITS FROM \$13.9 MILLION DOLLAR INVESTMENT FROM THE DEPARTMENT OF HEALTH & WELFARE**

Last year, Gem County residents and businesses received \$13.9 million from Department of Health & Welfare programs that help people in need. The investment benefits every one of the county's 15,800 residents. Of Idaho's 44 counties, Gem County ranks number 18 in per capita outlay of Health & Welfare dollars.

The disbursement of state and federal tax dollars amounts to \$878 for every man, woman and child residing in Gem County. This includes citizens who may not receive a single direct service from the Department. The statewide average is \$839 per capita.

The Department distributed \$1.15 billion in Idaho communities in 2004. These funds came from Medicaid, additional payments to hospitals, Food Stamps, the Idaho Child Care Program, the Women, Infants and Children nutritional program, foster care and a variety of other assistance programs.

"This is an investment for all Gem County residents," says Health & Welfare Director Karl Kurtz. "These are tax dollars put to good use because they are used to help people become healthy and productive and less dependent on government assistance. This money goes go to foster care for children in crisis, substance abuse treatment for adults and adolescents, improvements and operations at the local hospital, and dozens of other badly needed services."

"This is as much about sustaining communities as it is investing," adds Kurtz. "By providing programs that support people, we are helping communities and their residents build the endurance and strength they need to remain vital. Everyone profits from this investment, not just those who use Department programs. This isn't just me pounding my chest. That's what community leaders tell us."

Gem County Commission Chair Sharon Pratt says, “The programs are invaluable to our constituents who use them. It definitely has an impact on the economy here. Our indigent (care) fund is way over, and Medicaid helps take the pressure off that.”

Last year, the Department’s Medicaid Division spent \$11 million on health care for residents of the county. A large share of the dollars go to drug stores like Tyler’s Gem Pharmacy in Emmett. “It’s very important to this community,” says store owner Rob Tyler. “There’s a lot of low income people who live here, and they rely heavily on Medicaid pharmacy benefits. (Medicaid) could be a quarter of our business. I have a part time pharmacist and four techs. These people make a pretty good salary. Without Medicaid, I’d only need only two or three people. The money that comes in here (from Medicaid) gets circulated back into the community.”

The story is much the same at Walter Knox Memorial Hospital. The hospital received \$240,000 in additional payments called Federal Upper Payment Limits (FUPL) and Disproportionate Share (DSH) last year. These are funds from the Department to help compensate hospitals that have a larger than average number of Medicaid patients. “These payments become even more critical to us because we’re in a remodel,” says Hospital Administrator Max Long. “The dollars have helped us pay for things and made up for revenue decreases. We’ve added a lot of new equipment, including a CT scan and a second x-ray machine.”

The FUPL and DSH payments are in addition to regular Medicaid payments for inpatient and outpatient care at the hospital. All Medicaid payments to the hospital totaled \$735,000

Gem County residents received \$1 million in Food Stamps to help feed their families — an increase of \$140,000 over 2003. Food Stamp clients spent \$522,700 with local grocers, including Conoco-by-Rite in Emmett, which redeemed \$38,000. Owner/Manager Don Way says those dollars are “very important,” about five percent of his store’s annual income.

“I live in the center of town, and many low-income families live nearby,” he says. “Since Albertson’s moved, they walk here and do business. They may buy one thing here and there, but it brings them back into the store many times.”

Way has seven full-time employees, one of those added because of Food Stamp redemptions. What would happen without the money? “I would survive, but it is plus. It gave one more person a job. In this market, I would hate to see it disappear,” he says.

Department spending helps people, and it has an upside for business, according to Idaho economist John Church. “This is not lost money. The spending is an investment. It goes back into the economy. If an employer came to town and spent this much money we would be elated. People need to remember that a big chunk of this is federal money which is a huge return on our taxes. This comes back and helps stimulate the economy and it helps people.”

Kurtz says, “Not only is the Department money a human investment, but it creates jobs and maintains healthy businesses. These dollars recycle numerous times in each community and help us keep the high quality of life we enjoy in Idaho. This is a wise use of taxpayer dollars because the money spent in the community often stays in the community. The dollars are spent again and again to help create jobs and an infrastructure that provides healthy and safe neighborhoods.”

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(**Editors:** Interviews are available on request. Contact Ross Mason at 334-0693 or Regional Director Randy Woods at 455-7102 for more information.)

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can be found online at  
<http://www.healthandwelfare.idaho.gov>**